



## The 2006-07 Budget

*Highlights: The Governor's commitment to seniors and persons with disabilities*

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Since taking office, Governor Schwarzenegger has worked on several initiatives that reflect his commitment to ensuring that seniors and persons with disabilities have the ability to live and participate in their communities. The Governor: (1) secured federal approval to allow thousands of In-Home Supportive Services recipients to be cared for in their homes and avoid unnecessary institutionalization; (2) continues aggressive implementation of Proposition 63 (Mental Health Services Act) to create a state-of-the-art, culturally competent mental health system; (3) is advancing, in collaboration with Bay Area regional centers, innovative efforts to place a majority of Agnews Developmental Center clients into the community prior to the closure of Agnews; and (4) continues to protect the Lanterman Act, which entitles individuals with developmental disabilities to services that support their ability to live independently in the community.

The budget implements additional initiatives that will promote appropriate services to meet consumer needs, support community-based alternatives to institutionalization and increase provider rates to stabilize services in the community for seniors and persons with disabilities.

### **Promoting Community-Based Alternatives to Institutionalization**

- **Multipurpose Senior Services Program (MSSP):** The budget includes a \$3 million augmentation to the MSSP, which provides critical social and health care management for frail elderly clients who are at risk for placement in a nursing facility, but who choose to live at home with MSSP support. The goal of the program is to prevent or delay premature nursing home placement of these very frail clients.
- **Support Assisted Living Options for Medi-Cal Beneficiaries:** The budget provides \$880,000 (\$364,000 General Fund) to implement pilot programs to test assisted living as a Medi-Cal benefit in two settings: residential care facilities for the elderly and publicly subsidized housing.
- **Expand Access to Community-Based Nursing Services:** The budget provides \$1.15 million (\$335,000 General Fund) to expand nursing services in a home- or community-based setting for individuals who would otherwise live in an institution.
- **Supplemental Security Income/State Supplementary Payment Program (SSI/SSP):** The three-month delay of the January 2007 federal SSI cost-of-living-adjustment included in the 2005 Budget Act is rescinded. Effective January 1, the federal SSI payment will increase by an estimated 2.1 percent. California's SSI/SSP payment standards for individuals continue to be the highest among the nation's 10 most populous states and second highest in the nation, while the payment standards for couples are the highest of all 50 states.
- **Support Alzheimer's Research and Treatment:** The budget provides \$2 million (General Fund) to increase grants to Alzheimer's Disease Research Centers of California (ARCC) to enhance their ability to provide state-of-the-art diagnostic and treatment services, offer caregiver training and support services and evaluate highly complex cases of dementia and Alzheimer's-related disorders. Each of the 10 research centers will receive an additional \$185,000. The remaining \$150,000 will be provided to the University of California, San Francisco Institute of Health and Aging, which manages ARCC data and program evaluations.
- **Autism Spectrum Disorder (ASD) Initiative:** This initiative will provide a vital service framework to meet the major challenges identified in serving Californians with ASD. The significantly disproportionate increases in the number of cases of ASD, the complexity of these cases and the lack of evidence-based approaches to treat this disorder have overwhelmed the regional center system. The budget includes \$2.6 million (General Fund) to develop best practices treatment guidelines and to connect autistic individuals with evidence-based treatment to improve outcomes.
- **Establish a Coordinated Care Management Pilot Project:** The budget includes \$311,000 (\$124,000 General Fund) and 3 positions for a pilot project to coordinate the provision of health care to beneficiaries with chronic health conditions who may be seriously ill or near the end of life and people with serious mental illness and chronic health conditions.

### **Enhancing Compensation for Care:**

- **Three Percent Rate Increase for Regional Center Providers:** Regional centers contract with several types of service providers that assist in maintaining independence for vulnerable populations, such as residential care, transportation, vocational training and day program providers. These providers have sustained rate freezes during the past three years of severe budget shortfalls. Relief is needed to reduce the stress on the provider system, prevent program closures and maintain high quality of care for consumers and clients. The budget reflects an increase of \$68.4 million (\$46.6 million General Fund) for a 3 percent cost-of-living increase to programs that have been subject to provider rate freezes that have been necessary during the last three years.
- **Program for All Inclusive Care for the Elderly (PACE):** This program is a model of acute and long-term care integration, offering a comprehensive service package to frail seniors who are at risk of institutionalization, permitting them to continue living at home while receiving services rather than be institutionalized. The budget includes \$2.2 million (\$1.1 million General Fund) to increase reimbursement to PACE.
- **Employment Support for the Developmentally Disabled:** The budget includes \$45 million (\$33 million General Fund) to provide a 21 percent rate increase on top of the 3 percent mentioned above to supported employment providers, rate and wage increases to day programs and Work Activity Programs that meet specified criteria and one-time grants to encourage the start-up of programs that will provide employment services to people with developmental disabilities.
- **In-Home Supportive Services (IHSS):** The budget includes \$3.9 billion (\$1.3 billion General Fund) to provide support for wages and health benefits for paid caregivers in the IHSS program.